concerns of India's food security, maximising farm incomes and earning foreign exchange. Review of export performance of agricultural products is an on-going process and according policy interventions are made, as and when considered necessary, with a view to making agricultural exports increasingly viable.

(b) Some of the steps taken/proposed to be taken to enhance exports of agricultural products and farm goods include:—

1. Providing assistance for raising small and large nurseries for production of good quality planting material, upgradation of technical know how of farmers through demonstrations, trainings and publicity, rejuvenation of old orchards, area expansion, supply of minikits for vegetabled, improving productivity and training of farmers.

2. Provision of soft loans for setting up of grading/processing centres, auction platforms, ripening/curing chambers and quality testing equipment.

3. Providing financial assistance to exports/growers/Cooperative Societies for development of infrastructural facilities such as purchase of specialised transport units, establishment of pre-cooling/cold storage facilities, integrated post-harvest handling systems (pack houses).

4. Grant of financial assistance for improved packaging, strengthening of quality control.

5. Establishment of vapour heat treatment facilities for improving the acceptability of the product especially the mangoes in overseas markets.

6. Grant of Air Freight Subsidy for exports of selected fresh vegetables and fruits.

7. Arranging promotional campaigns such as buyer-seller meets and participation in important international fairs and exhibitions.

8. Setting up of integrated cargo handling and cold storage facilities at various International Airports for handling export of perishable items such as fresh fruits and vegetables.

9. Abolition of cess on export of pepper (except green pepper in brine), cardamom, saffron and spice oils and oleoresins to make them price competitive in the overseas markets, setting up of laboratories for testing of products to ensure quality, technology transfer, process upgradation and product development.

10. Providing assistance in development of data-base and dissemination of market information.

(c) Value of Export of Agriculturalf products excluding plantation products, is likely to attain a level of US $ 4 billion in 1998-99

IIFT Study on Informal Trade

3555. **DR. ARUN KUMAR SARMA:** Will the Minister of COMMERCE be pleased to state:

(a) whether the Indian Institute of Foreign Trade conducted a study on the informal trade being carried out through International border with Myanmar, Bhutan, China and Bangladesh;

(b) if so, the findings in relation to modus operandi, sectorwise items and amount of transaction involved in each of the border points;

(c) the projected amount that would have come to the national revenue if formal border trade had taken place; and

(d) the details of steps taken by Government to promote border trade in the NER and to legalise these informal trades to prevent further loss of revenue?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEDGE): (a) No, Sir. However, they have conducted a study of Industrial Development and Export potential of the North-Eastern Region.

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(b) Does not arise.

(c) and (d) The North Eastern Region shares 98% of its border with international border i.e. Bangladesh, Myanmar, China and Bhutan. India has entered into border trade agreement with Myanmar and w.e.f. April 12, 1995 Indo-Myanmar border has been officially declared open for trade. There is no formal border trade agreement with Bangladesh. Both countries have agreed to constitute Committee of Experts to examine this proposal.

Under SAPTA, India and Bangladesh exchange tariff concessions to promote formal trade between the two countries. Two rounds of negotiations have already taken place and both the countries have agreed to give tariff concessions in some of the items.

The border trade with China is presently being conducted only through two points each in Himachal Pradesh and Uttar Pradesh.

The Study "Industrial Development and Export Potential of the North-Eastern Region" done by IIFT has suggested a number of steps including strengthening of infrastructure facilities, setting up of market complex near Myanmar border, utilisation of alternative routes etc.

Following steps have been taken by Government of India to promote border trade in the NER:—

(i) An Inter-Ministerial Task Force under the Ministry of Commerce has been set up to review the entire North-East border and inter-country trade issue and to report on trade opportunities and manufacturing potential for export in the North East.

(ii) Under the Critical Infrastructure Balance Scheme (CIBS) which envisages balancing capital investment for relieving bottlenecks in export infrastructure, two projects in Meghalaya and one in Mizoram with total contribution of Rs. 5.08 crores by Government of India.

(iii) ESCAP has set up an expert group from Ministry of Railways to examine the viability of various alternative routes through North-Eastern Sector. An Interim Report has already been submitted on this.

(iv) A study on "Export potential Assessment of Horticulture and Floriculture projects for the North-Eastern State" was conducted by Tata Consultancy Services on behalf of Agricultural and Processed Food products Export Development Authority (APEDA). The draft report is under examination.

Export to South East Asian Countries

3556. DR.D. MASTHAN: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that 38% of our exports go to South East Asian countries;

(b) what are the major items of export to these countries;

(c) whether export to Japan has suffered recently;

(d) if so, the reasons therefor; and

(e) what steps are being taken to export more agricultural products?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEDGE): (a) India's exports to the South East Asian Nations (ASEAN) which comprises of Malaysia, Singapore, Indonesia, Thailand, Philippines, Brunei, Vietnam, Myanmar & Lao PDR, during the year 1997-98 amounted to US $ 2399.46 million which was about 7.1% of India's global exports during the year.

(b) The major items of exports to these countries are oil meals, gems & jewelleary, machinery and instruments,